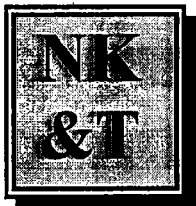


QUALITY SUPPORT SOLUTIONS, INC.

**Financial Statements
(With Accountants' Review Report)**

December 31, 2006 and 2005



Nievaard, Kofoed & Teran, P.C.

Certified Public Accountants

Hans Nievaard, CPA
Alfred J. Kofoed, CPA
Bruce M. Teran, CPA

To the Board of Directors
Quality Support Solutions, Inc.
Salt Lake City, Utah

We have reviewed the accompanying statements of financial position of Quality Support Solutions, Inc. (a non-profit corporation) as of December 31, 2006 and 2005 and the related statements of activities, functional expenses and cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Quality Support Solutions.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the 2006 and 2005 financial statements in order for them to be in conformity with generally accepted accounting principles.

Nievaard, Kofoed & Teran, P.C.

Nievaard, Kofoed & Teran, P.C.

June 29, 2007

Quality Support Solutions, Inc.
Statements of Financial Position
December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Assets		
Current Assets		
Cash	\$ 14,778	8,435
Receivables		
State contract	22,931	20,060
Due from employees	1,000	2,000
Total receivables	<u>23,931</u>	<u>22,060</u>
Less: allowance for doubtful accounts	-	-
Net receivables	<u>23,931</u>	<u>22,060</u>
Prepaid expenses	<u>631</u>	<u>1,272</u>
Total Current Assets	39,340	31,767
Property & Equipment (Notes B & D)		
Office equipment and furniture	3,688	3,688
Vehicles	<u>35,079</u>	<u>-</u>
Total property and equipment	<u>38,767</u>	<u>3,688</u>
Less: accumulated depreciation	<u>(3,293)</u>	<u>(275)</u>
Net property and equipment	<u>35,474</u>	<u>3,413</u>
Total Assets	\$ <u>74,814</u>	<u>35,180</u>

See accompanying notes and accountants' report.

Quality Support Solutions, Inc.
Statements of Financial Position (Continued)
December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Liabilities and Net Assets		
Current Liabilities		
Current portion of long-term debt	\$ 16,554	-
Due to related party (Notes E & F)	-	6,000
Accrued liabilities		
Accrued payroll	16,855	14,986
Accrued payroll taxes	6,479	4,968
Accrued interest	200	1,093
Total accrued liabilities	<u>23,534</u>	<u>21,047</u>
Total Current Liabilities	40,088	27,047
Long-term debt		
Notes Payable	18,466	-
Due to related party (NOTES E & F)	<u>27,568</u>	-
Total long-term debt	46,034	-
Less Current portion	<u>(16,554)</u>	-
Net long-term debt	<u>29,480</u>	-
TOTAL LIABILITIES	69,568	27,047
Net Assets- unrestricted	<u>5,246</u>	<u>8,133</u>
Total Liabilities and Net Assets	\$ <u>74,814</u>	<u>35,180</u>

See accompanying notes and accountants' report.

Quality Support Solutions, Inc.
 Statements of Activities
 Years Ended December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Unrestricted Net Assets		
Revenues		
State (Notes A & C)	\$ 254,497	227,647
Other	-	750
Interest	<u>46</u>	<u>23</u>
Total Revenues	<u>254,543</u>	<u>228,420</u>
Expenses		
Employee related costs	224,950	203,798
General and administrative costs	<u>32,480</u>	<u>17,790</u>
Total Expenses	<u>257,430</u>	<u>221,588</u>
Increase in Unrestricted Net Assets	(2,887)	6,832
Net assets - unrestricted, beginning of year	<u>8,133</u>	<u>1,301</u>
Net assets - unrestricted, end of year	<u>\$ 5,246</u>	<u>8,133</u>

See accompanying notes and accountants' report.

Quality Support Solutions, Inc.
Statements of Cash Flows
Years Ended December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Cash Flows from Operating Activities		
Increase in unrestricted net assets	\$ (2,887)	6,832
Adjustments to reconcile change in unrestricted net assets to net cash provided (used) by operating activities		
Depreciation	3,018	275
Amortization	-	1,000
(Increase) or decrease in:		
Net receivables	(1,871)	1,240
Prepaid rent and expenses	641	(1,014)
Increase or (decrease) in:		
Due to related party	-	1,000
Accrued liabilities	2,487	1,657
Total adjustments	<u>4,275</u>	<u>4,158</u>
Net Cash Provided by Operating Activities	1,388	10,990
Cash Flows from Investing Activities		
Purchase of property & equipment	<u>(15,000)</u>	<u>(3,688)</u>
Net Cash Used by Investing Activities	(15,000)	(3,688)
Cash Flows from Financing Activities		
Payments on long-term debt	(1,613)	-
Increase in due to related party	<u>21,568</u>	<u>-</u>
Net Cash Provided by Financing Activities	<u>19,955</u>	<u>-</u>
Net Increase in Cash	6,343	7,302
Cash at beginning of year	<u>8,435</u>	<u>1,133</u>
Cash at end of year	<u>\$ 14,778</u>	<u>8,435</u>

See accompanying notes and accountants' report.

Quality Support Solutions, Inc.
Statements of Cash Flows (Continued)
Years Ended December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Schedule of Noncash Investing and Financing Activities		
Acquisition of property and equipment		
Cost of property and equipment	\$ 35,079	3,688
Liabilities assumed	<u>(20,079)</u>	<u>-</u>
Cash paid	<u>\$ 15,000</u>	<u>3,688</u>
 Schedule of Additional Cash Flow Information		
Cash paid during the period for:		
Interest expense	<u>\$ 1,701</u>	<u>-</u>

See accompanying notes and accountants' report.

Quality Support Solutions, Inc.
Statements of Functional Expenses
Years Ended December 31, 2006 and 2005

	/-----Year Ended December 31, 2006-----/		/-----Year Ended December 31, 2005-----/	
	Total Expense	Administrative	Program	Total Expense
Employee Related Expenses				
Wages and salaries				
Executive Director	\$ 68,700	20,610	48,090	65,500
Other Employees	139,435	-	139,435	118,660
Total of wages and salaries	208,135	20,610	187,525	184,160
Payroll related expenses				
Payroll taxes	16,675	1,651	15,024	14,611
Conferences, workshops and training	140	-	140	5,027
Total of payroll related expenses	16,815	1,651	15,164	19,638
Total employee related expenses	224,950	22,261	202,689	203,798
General and Administrative Expenses				
Office rent (Note F)	7,158	7,158	-	1,434
Insurance	4,404	4,404	-	2,096
Supplies	3,774	-	3,774	1,270
Telephone	3,723	3,723	-	5,351
Depreciation (Notes B & D)	3,018	680	2,338	275
Meetings	2,516	-	2,516	2,187
Professional fees	1,760	1,760	-	1,870
Client Promotion	1,625	-	1,625	-
Automobile	1,608	-	1,608	-
Miscellaneous	1,399	-	1,399	-
Interest expense	808	-	808	733
Dues and subscriptions	299	299	-	188
Copies	189	189	-	395
Postage	131	131	-	392
Business taxes and licenses	48	-	48	138
Bank charges	20	20	-	-
Amortization (Note B)	-	-	-	-
Office expense	-	-	-	-
Total general and administrative	32,480	18,364	14,116	122
Total Expenses	\$ 257,430	40,625	216,805	221,588
				190,725

See accompanying notes and accountants' report.

Quality Support Solutions, Inc.
Notes to Financial Statements
December 31, 2006 and 2005

Note A - Organization

Quality Support Solutions, Inc. is a nonprofit corporation organized exclusively for social, service, charitable and educational purposes. More specifically, the Organization supports the realization of self-determination and improved life quality for persons with disabilities. The Organization was incorporated on May 22, 2000 but did not begin to receive funding until February 2001. Funding for the Organization comes from a service contract agreement with Utah Division of Services for People with Disabilities. In addition, the Organization receives funding for qualified applicants from the Utah Office of Rehabilitation.

Note B - Summary of Significant Accounting Policies

Basis of Accounting

The Organization's financial records are maintained on the accrual basis of accounting. Using this method, revenues are recognized when earned and expenses are recognized when incurred. In the accompanying financial statements, accounts have been combined and presented for the Organization in accordance with the provisions of Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-for-Profit Organizations".

Accounts Receivable

Receivables represent amounts due under state contracts for funds that have been earned but not received.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the individual assets, ranging from five to seven years.

Intangible Asset

Intangible asset represents \$5,000 in costs incurred to start-up the business. The start-up costs are being amortized over a five year period. The amortization ended in 2005.

Income Tax Status

The Organization was incorporated in the state of Utah as a non-profit corporation and is exempt from income taxes as provided under Section 501(c)(3) of the Internal Revenue Code. The Organization filed an application with the Internal Revenue Service and was granted exempt status.

Concentrations of Credit Risk

The company places its cash with high quality credit institutions. Cash balances may periodically exceed the FDIC insurance limits.

Quality Support Solutions, Inc.
Notes to Financial Statements (Continued)
December 31, 2006 and 2005

Note B - Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents are short-term, highly liquid investments with original maturities to the Company of 90 days or less.

Note C - Major Customer and Credit Risk Concentration

The majority of the Organization's revenue comes from a contract with the Utah Division of Services for People with Disabilities. The contract runs through June 2010 and is expected to be renewed upon completion.

Note D - Property & Equipment

Property and equipment as of December 31, 2006 consisted of the following:

	<u>Life Years</u>	<u>Method</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Carrying Value</u>
Office equipment and furniture	5-7	SL	\$ 3,688	954	2,734
Vehicles	6-Jan	SL	35,079	2,339	32,740
Totals			<u>\$ 38,767</u>	<u>3,293</u>	<u>35,474</u>

Depreciation expense for the year ended December 31, 2006 was \$3,018.

Property and equipment as of December 31, 2005 consisted of the following:

	<u>Life Years</u>	<u>Method</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Carrying Value</u>
Office equipment and furniture	5-7	SL	<u>\$ 3,688</u>	<u>275</u>	<u>3,413</u>

Depreciation expense for the year ended December 31, 2005 was \$275.

Quality Support Solutions, Inc.
Notes to Financial Statements (Continued)
December 31, 2006 and 2005

Note E -Long-term Debt

Long-term debt as of December 31, 2006 and 2005 consisted of the following:

	<u>2006</u>	<u>2005</u>
Note to financial institution due in monthly installments of \$582 including interest at 2.75% until September 2009, secured by a vehicle	\$ 18,466	-
Note payable to Executive Director for loans made made to cover operating expenses, bearing interest calculated at applicable federal rate adjusted annually	<u>27,568</u>	<u>-</u>
Total long-term debt	46,034	-
Less current portion	<u>16,554</u>	<u>-</u>
Net long-term debt	<u>\$ 29,480</u>	<u>-</u>

Maturities on long-term debt are as follows:

Year ended December 31,	
2007	\$ 16,554
2008	16,737
2009	<u>12,743</u>
Totals	<u>\$ 46,034</u>

Note F - Related Party Transactions

	<u>2006</u>	<u>2005</u>
The Organization had the following related party payable at December 31, 2006 and 2005:		
Demand note payable to Executive Director for loans made to cover operating expenses, bearing interest calculated at applicable federal rate adjusted annually	\$ <u>27,568</u>	<u>5,000</u>

Note G - Operating Leases

The Organization leases office space for \$592 per month. The lease covers the period from Nov. 1, 2006 though October 31, 2007. Total rent expense totaled \$7,158 for 2006 and \$1,434 for 2005.